



SUGAR TERMINALS LIMITED

ABN 17 084 059 601

Notice to Shareholders

STL will release its annual results for the year ended 30 June 2004 to the Newcastle Stock Exchange on 13 September 2004.

At 30 June 2004 Sugar Terminals Limited (STL) had a contingent liability relating to the construction of the new storage facility at Townsville. The construction project which is being managed by Queensland Sugar Limited (QSL) as STL's agent is incomplete and a Notice of Dispute claiming \$18.4 million has been received from the building contractor.

The claim is denied by STL and, to date, the dispute has not been resolved.

QSL is managing the dispute and, at this time, it is not practicable to estimate the timing or the quantum, if any, of any future liability.

With this matter in mind your Directors have resolved that the dividend payable in respect of the year ended 30 June 2004 be at the rate of 2 cents per share fully franked at 30% (4 cents per share was paid for the year ended 30 June 2003). The dividend will be paid on 15 December 2004 to shareholders listed on the share register on 3 December 2004.

A handwritten signature in black ink, appearing to read 'Michael D Brown', is written in a cursive style.

Michael D Brown
Chairman
16 August 2004